

**From the Margins  
to the Centre:  
Discourses on the  
Impact of the COVID-19  
Pandemic on Women  
in Uganda.**

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and Leah Eryenyu**

**December 2020**



**FRIEDRICH  
EBERT   
STIFTUNG**

**ISBN**

**Published by:**

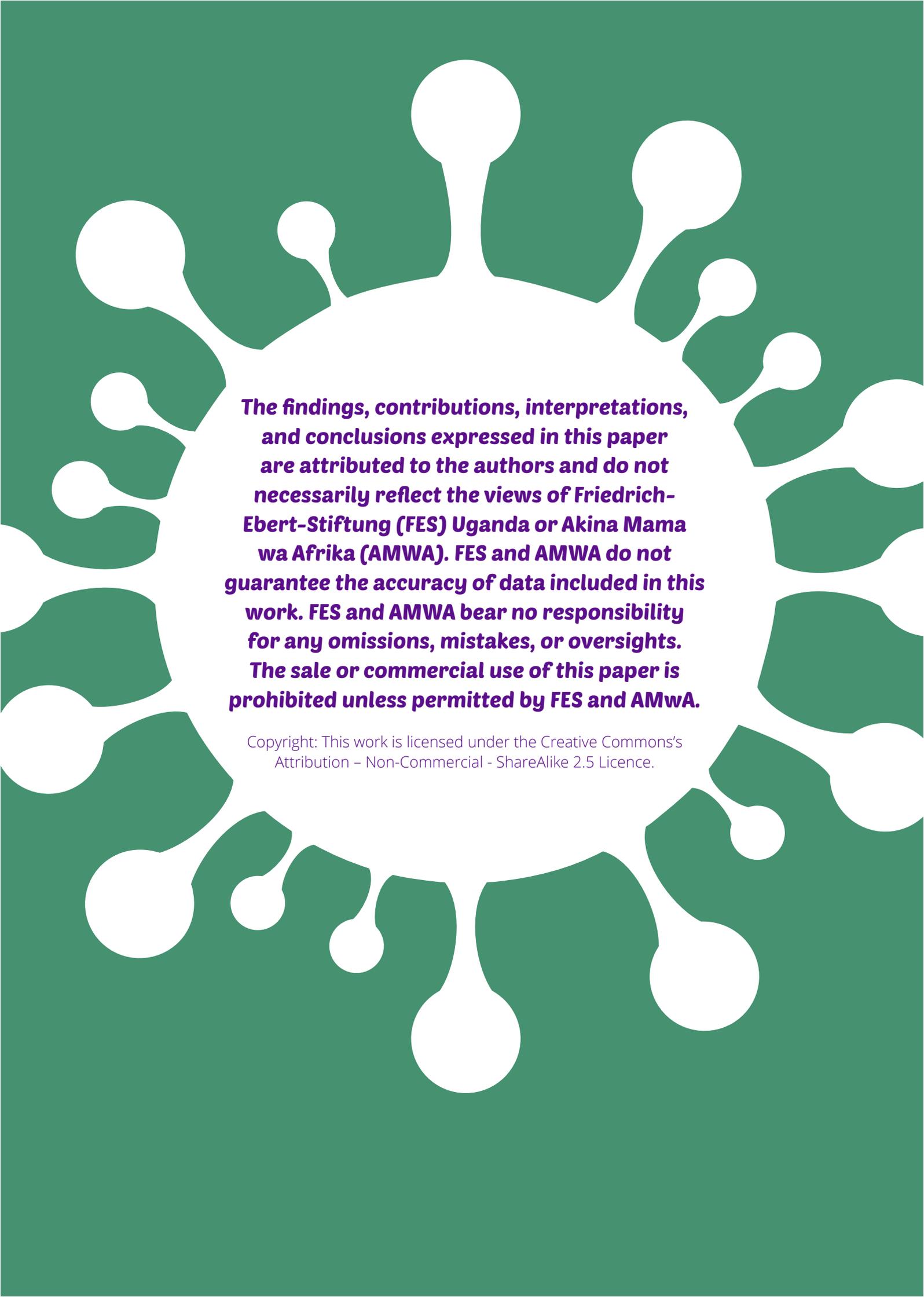
Friedrich-Ebert-Stiftung Uganda and Akina Mama wa Afrika  
Kampala, Uganda.

**Editors:** Maria Alesi and Leah Eryenyu

**Proof Reading:** Harriet Anena

**Layout and Design:** Mwaka Samson

**Photo Credit:** Shutterstock

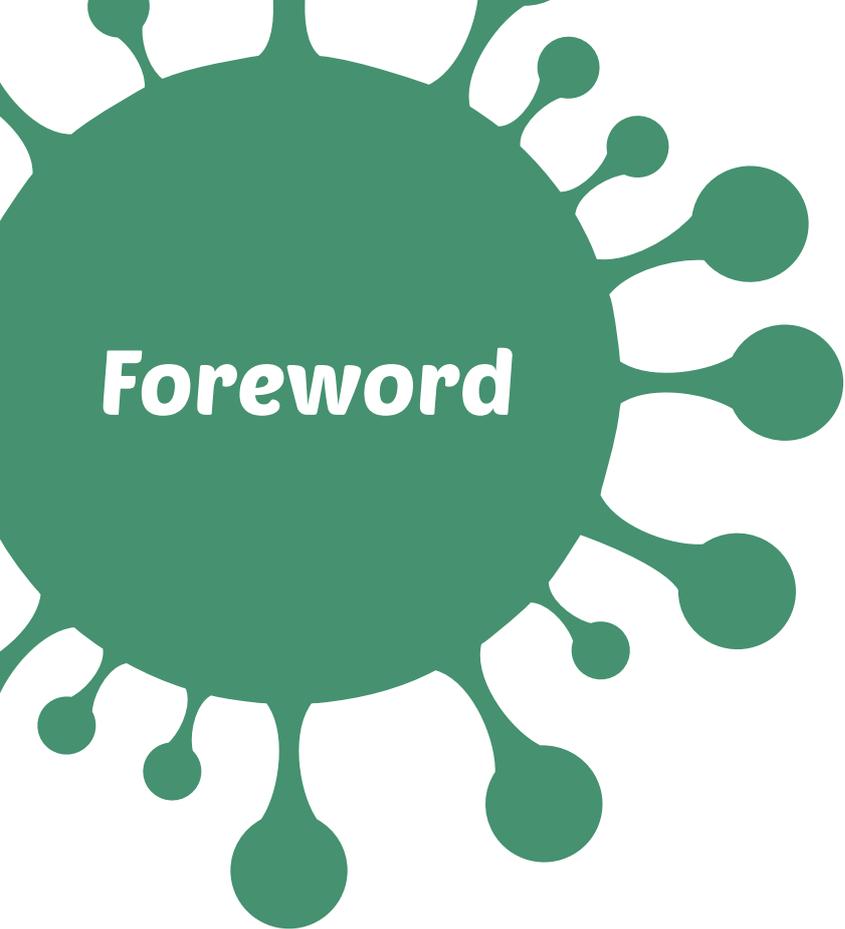


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# Table of Contents

5	7	8	9
<b>Foreword</b>	<b>Counting the Cost of the Pandemic: The Impact of Covid-19 on Workers in Uganda</b>	<b>The Cost of the Pandemic on the Economy</b>	<b>The Reality for Workers in the Horticultural Sector amidst the Covid-19 Pandemic</b>
14	20	26	32
<b>Socio-Economic Needs of Women in the FY 2020/21 Budget amidst the Covid-19 Pandemic by Sophie Nampewo Njuba</b>	<b>The Informal Sector in the Grip of the Pandemic: Experiences and Strategies for a Resilient Recovery</b>	<b>Supporting Girls Key in Education Sector Recovery from Covid-19 by Saphina Nakulima</b>	<b>Covid-19 Response and Recovery: Structural Transformation Required to Avert Looming Care Crisis by Racheal Wanyana</b>
37	45	50	50
<b>In the Shadow of the Pandemic: The Dark Underbelly of Private Debt</b>	<b>A lens on the 2020/21 budget: Interrogating the priorities</b>	<b>About the Editors</b>	<b>About Friedrich-Ebert-Stiftung Uganda</b>
50			
<b>About Akina Mama wa Afrika</b>			



# Foreword

**“Across those tracks was a world we could work in as maids, as janitors, as prostitutes, as long as it was in a service capacity. We could enter that world but we could not live there. We had always to return to the margin, to cross the tracks, to shacks and abandoned houses on the edge of town.” –**

**Bell hooks, *Feminist Theory: From Margin to Centre*.**

The mantra of leaving no one behind became entrenched in the development and human rights lexicon with the adoption of the Sustainable Development Goals in 2015. The principle recognises that in order to reach the furthest behind, it will require concerted, deliberate effort complemented by funding, but also a common understanding of who qualifies as the furthest behind. In short, who is on the margins. This concept of deliberate inclusion of the most marginalised groups is a cornerstone of feminist politics, rooted in the principle of intersectionality which seeks to address compounded and invisible vulnerabilities experienced by the most disenfranchised. While several issues including poverty are critical impediments to accessing rights and privileges, belonging to a marginalised identity has an amplifying effect. Marginalisation based on gender, ethnicity, age, class, disability, sexual orientation, religion, nationality, and migratory status, collude to further disenfranchise groups that are already on the margins of society, and compound forms of oppression from which it is difficult to emerge.

As the Covid-19 pandemic spread in early 2020, laying waste to economies, breaking critical support systems necessary for wellbeing, and casting great uncertainty on the future of humanity, it found a deeply unequal world lurching from crisis to crisis. The people on the margins, those living across the tracks were mostly women. They were existing, but not as bonafide citizens of the world with a legitimate stake in influencing policy and practice in the socio-political and economic sphere. Instead, women are living in service of the global neo-liberal capitalist machinery, providing productive and reproductive labour, consuming overpriced and unnecessary goods churned out of the rapacious system. The pandemic found a world where women lay at the bottom of the heap of the exploited, while the wealthy elite strengthened their stranglehold on finite resources. Covid-19 exposed a world order held together precariously by individualism and wealth-seeking; a world unprepared to meet the demands of a crisis that required collective action. This has been to the detriment of those on the margins.

Akina Mama wa Afrika and the Friedrich-Ebert-Stiftung Uganda had a meeting of the minds on how to approach and influence emerging discourse on the pandemic, and to strategically situate marginalised voices within this space. In a series of online conversations held between May and August 2020, we held rigorous debate about the ramifications of the pandemic on people we saw as existing on the margins; those most likely to be disregarded and forgotten in the pandemic response or provided cosmetic solutions. We analysed and interrogated budget priorities, unpacked social protection, shone light on the care economy and challenged abusive lending practices that lead to debt. We also sought to document the different facets of the pandemic and its myriad impacts on different areas of life for women. Notably, we involved mostly women in these discourses as is also reflected in the crop of authors of this publication.

This publication, “From the Margins to the Centre” borrows from bell hooks’ seminal critique of mainstream feminism’s centering of white privileged women’s issues at the expense of non-white women. With this collection of essays, we attempt to render visible the voices and experiences of women in all their diversities, and to collate and amplify demands for a pandemic response and recovery that is time-bound, inclusive and gender-conscious. With this publication, we hope to shift women’s views and experiences from the margins to the centre. Borrowing from Adhurati Roy’s article “The pandemic is a portal”, we hope Covid-19 and all its related effects will cause the Government of Uganda and the wider global system to transition into new ways of governance.

**Maria Alesi and Leah Eryenyu**



**This publication, “From the Margins to the Centre” borrows from bell hooks’ seminal critique of mainstream feminism’s centering of white privileged women’s issues at the expense of non-white women.**



**Counting the Cost of the  
Pandemic:  
The Impact of Covid-19 on  
Workers in Uganda**

This year, Labour Day came and went under the dark cloud of CCovid-19. For those who look forward to this public holiday to take some much-needed rest from work, it was a stark reminder that they no longer had gainful employment, or that their paycheck had reduced significantly. For others working remotely at home, Labour Day may have gone by unnoticed as all days blurred into each other. Productivity took a hit. With almost all places under lockdown to slow the spread of the disease and with nowhere to go, each day appeared indistinguishable from the next. Across all sectors of employment, the same hardships played out. But perhaps not as severely as in the informal sector where many workers who live hand to mouth and are women, saw their daily income completely vanish because of the transport ban and other social distancing measures instituted. It was sobering that a day dedicated to celebrating labourers and the working class could be held amidst massive layoffs, pay cuts, while also putting unprecedented strain on the wellbeing of workers in the frontline.

## **The Cost of the Pandemic on the Economy**

That labour is the main driver of economic activity has never been clearer than during this pandemic. A reduction in labour force participation has seen markets collapse worldwide, challenging long cherished neo-liberal economic principles that place profit before people. Further, the impact on workers is a constant reminder that the pandemic is not only a health crisis but an economic one as well. In March, the International Labour Organisation predicted that CCovid-19 would have far-reaching impacts on labour market outcomes and impact the world of work across three key dimensions: the quantity of jobs (both unemployment and underemployment), the quality of work (e.g. wages and access to social protection); and effects on specific groups who are more vulnerable to adverse labour market outcomes. Countries the world over are re-evaluating their economic growth projections. In Uganda, the effects of the government-imposed lockdown because of CCovid-19 vary by sector. While certain sectors such as tourism, entertainment, education and transport completely shut down, other sectors especially agriculture and e-commerce remained operational.



**“The economy is interconnected. What happens in one sector affects another. Even the sectors that have continued to operate have been affected by those which are not operating because of the circular flow of income.”**

— Dr Susan Kavuma on the interconnectedness of the economic impact of Covid-19.

For example, although the agricultural sector was required to remain operational, the prices of products dropped. A tray of eggs that was between UGX 11,000 – UGX 13,000 before Covid-19 was down to between UGX 6,000 – UGX 10,000. This is because the supply chain that included deliveries to hotels and restaurants was disrupted by the shutdown of those businesses.

The closure of businesses was felt by the labor market with thousands of firms ceasing operations. Subsequently, workers lost their jobs while others had their salaries reduced or suspended. This is exemplified by entities like Vision Group and Buganda Kingdom which cut the salaries of their employees according to official media reports.

The current trend in economic activity has several ramifications; first, a loss in income for businesses because of reduced economic activity, leading to loss or reduction in wages for workers and income for their households. This impact is noteworthy because of the context of business in Uganda that makes small businesses indistinguishable from the people that run them. Up to 60% of the working population are self-employed in mainly micro enterprises that constitute 93% of the private sector. This has

an impact on the business income, individual as well as household income. The follow-on impact here is that there is less demand for goods and services, which further affects businesses owned by individuals. Additionally, this disruption to business and household income will depress the amount of domestic revenue collected by the government. This is likely to trigger spending cuts, particularly to social services that women and other marginalised groups depend on the most. The loss in income is also likely to lead to increase in poverty. Up to 2.5 million people are projected to fall into poverty as a result of the pandemic. Increased poverty will further exacerbate income inequality.

The disruption in business activity however presents opportunities for some sectors to flourish. Increased use of digital technologies because of working online, e-commerce and mobile money etc., will boost the digital economy, creating jobs and shaping the future economy. Of course, this is to the detriment of some traditional sectors like hotels that previously benefitted from conferences and meetings that have now shifted online.



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## **The Reality for Workers in the Horticultural Sector amidst the Covid-19 Pandemic**

The horticultural sector, particularly flower farms, presents a good case for analysis to gauge how hard hit the economy has been by the Covid-19 pandemic. The sector is heavily export-oriented with most flowers exported to the Netherlands. The impact on the sector was first felt through the closure of borders. Harvested flowers were left to rot as there were no means of transporting them. However, even before the closure of borders, demand had already reduced in Europe which had become the epicentre of the pandemic after China. Throughout the year, the sector thrives on celebratory days such as Valentine's Day, as well as events like parties and funerals. However, the social distancing requirements to prevent the spread of Covid-19 rendered all these effectively banned, causing a significant drop in the demand for flowers which in turn affected the business of flower farms and propagated economic hardship for the workers.

With their main source of income cut off, flower farms undertook massive layoffs. The Uganda Flower Exporters Association revealed in a news report that flower farms had laid off about 30% of their workforce due to inability to sustain salary payments during the pandemic. UHISPAWU, the union that represents workers in the sector added in a press statement that about 4,000 employees had been laid off without pay. Some were sent home on forced leave, while others received only a portion of their salary. Despite these hardships, most workers on flower farms, about 60-70% of whom are women, were ineligible to receive food relief from the government because they did not fall neatly into the "vulnerable poor" category that the government had decided needed food. Additionally, following the requirement from the government that agricultural farms that wanted to keep working had to encamp workers on the premises to curb the spread of virus, many women workers were left out. This is because a significant number of women are single parents without childcare, and they could not leave children unattended.

Lastly, the pandemic also interrupted plans that the Labor Union had for workers' welfare. The union was in the middle of finalising negotiations for better wages and conditions for the workers which had to be postponed indefinitely to shift focus on addressing the immediate challenges. Some of the interventions that the union embarked on include negotiating with flower farms not to lay off workers but to reduce salaries instead and advocating that workers alternate workdays so that there is no crowding on the farms and for all of them to retain employment, even if for fewer days.

## **Labour Relations Amidst the Pandemic**

With businesses under enormous strain due to the pandemic, numerous layoffs and renegotiation of contracts, workers' rights and entitlements were bound to be violated. Most of these terminations and layoffs were done in contravention of the Employment Act and the guidelines issued by the Ministry of Gender Labour and Social Development. However, although the Act was supposed to guide employers on how to navigate these turbulent times, the pandemic has also exposed the Act as marred with inconsistencies that have rendered employers bewildered and unprepared to manage the situation. This has resulted in all forms of misguided and erroneous decisions, including terminating workers without notice, indefinite suspension without pay, suspending the obligation to pay wages and tricking employees to consent to changes in employment contracts.

Some of the abuses of labour rights have manifested in employers expecting high level of productivity but without creating an enabling and supportive environment for workers. The concept of remote working is quite new and has not taken root in Uganda's employment sector. Most employees will be working from home for the first time, which means that they must figure out how to stay on task in a new environment that may not lend itself to productivity. Employers too may not be able to provide the

necessary tools (computers, laptops and internet connections) to all their employees to facilitate their remote work. As a result, some workers may not get paid because they are not working and yet it is the employer who has failed to provide the required equipment.

Other possible labour violations arise from the lack of provision of essential protective equipment for workers. From medical workers, to bankers, market vendors, and other front-facing types of work, most of these essential workers have no choice but to continue with work even when the employers may not provide the protective equipment to minimise the risk. It is possible that such people, especially medical practitioners, may be exposed to the virus which may spread to other family members. While the period of sickness can be treated as sick leave under section 55 of the Employment Act, the question of death of an employee remains unresolved by the Workers Compensation Act, 2000.

While the effect of Covid-19 crisis on the formal sector is somewhat clear, the informal sector has been facing severe negative impacts because people working in the informal economy are vulnerable to impoverishment, hunger and disease, and yet they also lack the necessary social protection coverage and support mechanisms if they lose their livelihood. Consequently, most of them will put their lives at risk to keep feeding for their families. Market vendors for example were required to sleep at their places of work to avoid spreading the virus when they go back home. However, a big number of the urban markets have inadequate water supply and lack the basic sanitary infrastructure for workers to comply with the requirement of frequently washing their hands to minimise chances of spreading the virus. Relatedly, school closure and lockdowns have intensified labour violations in households; without overtime payment, domestic workers have been undertaking additional cooking, cleaning, and other care work for entire families who are all at home. Increased workload has grossly affected domestic workers, exposing them to stressful and hazardous working environment. Domestic workers are placed at the frontline and risk getting exposed to the virus because of their role of caring for the sick in the household.

## **A Gender Lens on the Economic Ramifications of the Pandemic**

There is consensus that going into the pandemic, women had a poor start in comparison to men; they were already disadvantaged in terms of employment and labour. Looking at the employment triangle, because of aspects of horizontal segregation where women perform poor paying jobs, and vertical stratification where they generally tend to be in lower ranking positions, women tend to earn less and do work in unregulated conditions. Therefore, as a result of gender ordering, women tend to be in less secure social-economic conditions. Overall, there is triple jeopardy for women because the pandemic has had several devastating effects:

- 1) Exacerbated the feminisation of poverty as sectors like agriculture and other informal workplaces most affected, have an overrepresentation of women.
- 2) Further entrenched gender roles, causing a regression from the public to the private sphere. Whereas women had pierced the ceiling and have been working both in the formal and informal sector, the pandemic has pushed them back into the unacknowledged and care work behind closed doors.
- 3) Set the stage for more violence against women. There has been a noted increase in cases of violence against women and girls. Women have been left on their own due to restrictions in transport that interfered with support systems from friends and family, a poorly funded justice law and order sector and few and far in between domestic violence shelters.



## Recommendations

- **Adjust the workplace to respond to issues arising from the pandemic.** Employers should get their work-places ready for the pandemic by following the laid-down employment guidelines. The World Health Organisation guidelines on “getting your workplace ready for Covid-19, mandates employers to ensure that their premises are clean and hygienic, and handwashing is promoted. Employees providing essential services, especially medical practitioners, should be provided with adequate personal protective equipment and availed with psychosocial support to recharge from the mental stress arising from handling patients with complications from the virus. For employees who get infected or are suspected of having been exposed to the virus, the period they are unwell or quarantined should be treated as paid sick leave as stipulated in the Employment Act. To ensure effectiveness of remote work, employers should adopt strategies to enable productivity, including providing equipment and support needed to continue work. The same measures to ensure safety of workers must also be undertaken in the informal economy.
- **Consider termination of employment as a last resort and ensure fairness in this undertaking.** Should termination become necessary, the employer should provide employees with the prescribed notice periods indicating the reason and ensure payment of entitlements in line with the Act. Generally, the employee is entitled to accrued salary, accrued leave, and payment in lieu of notice, in case continuation of work during the notice period is impossible. Where the employer considers collective termination, four weeks’ notice should be given to the Commissioner of Labour and Representative of workers. Any variation in the salary or employee benefits should be done with voluntary consent and approval of the employee.
- **Provide and invest in social protection.** The heightened vulnerability due to loss of livelihoods underscores the importance of a government-mandated safety net. It is critical to operationalise and fund Uganda’s social protection policy for it to protect people who have fallen on hard times. Some workers have gone as far as demanding that Parliament passes the National Social Security Fund (Amendment) Bill to allow workers midterm access to their savings before old age. With increased cases of domestic violence during the lockdown, social protection funding would also go towards keeping domestic violence shelters open for survivors seeking refuge. Further, it would guarantee continued support to vulnerable households in terms of food rations or cash transfers and ensuring that women are beneficiaries of the interventions.

- **Ensure business continuity through diversification of business models and government financial support.** The government should support MSMEs that are the engine of economic growth and contribute 80% of the domestic revenue. The support should be in the form of grants to micro firms, low interest loans to small firms and long-term financing for medium-sized enterprises to ensure continuation in production and to keep workers employed. The money should be channeled through banks to ensure accessibility and transparency. The Central Bank should direct banks to restructure loan payments and lower the lending rate to ensure reduction of interest rates for commercial banks. To ensure there are resources for such an undertaking, the government must be frugal by removing non-essential expenses such as travel and public events. It is also prudent for businesses to embrace the digital economy to continue producing and marketing products, for example through e-commerce platforms like Jumia and safe boda.
- **Develop and deploy gender-sensitive and non-discriminatory measures to ensure an inclusive response.** It is imperative to apply a gender lens on all responses being fielded so that the impact of the pandemic on people on the margins, particularly women, is mitigated. Civil Society Organisations should also mobilise women to challenge violations happening under the cover of ensuring public safety. The gender response should look at micro-finance and other small money lending institutions that may prey on women amidst reduced disposable income. Notably, the pandemic presents an opportunity for feminists and gender justice advocates to highlight the issue of unpaid care work which has increased considerably under the lockdown.

## Conclusion

This conversation merely scratches the surface of the economic cost of the pandemic and other emerging issues. While it is true that there is trouble in the days that lie ahead, there are plenty of solutions that experts are optimistic can address the challenges. The goal should be to ensure that the recommendations are taken up by policymakers to minimise the roll back on the gains for economic empowerment, especially for women in Uganda and the continent.

*This paper is a synthesis of reflections shared at the webinar; **Counting the Cost of the Pandemic: A Conversation on the Impact of Covid-19 on Workers in Uganda.** The panel was composed of Dr. Susan Kavuma, an Economist at Makerere University and Researcher at Advocates Coalition for Development and Environment (ACODE); Naimah Bukenya, a Legal Officer with Platform For Labour Action; Dr Zaharah Nampeewo, the Executive Director of Human Rights and Peace Center at Makerere University, and Janepher Nassali, the General Secretary Uganda Horticultural Industrial Services Provider and Allied Workers Union (UHISPAWU). It was moderated by Eunice Musiime, the Executive Director Akina Mama wa Afrika. Fionah Komusana was the rapporteur.*



**Socio-Economic Needs  
of Women in the FY  
2020/21 Budget amidst the  
COVID-19 Pandemic**  
by Sophie Nampewo Njuba



**With increasing Covid-19 case confirmations, the Government of Uganda through the Ministry of Health realised the need to equip its health facilities with required Personal Protective Equipment like masks and gloves for health workers' protection as they treat people battling the virus.**

The FY 2020/21 budget was approved by the Parliament of Uganda at a time when Uganda had just confirmed its first cases of Covid-19.<sup>1,2</sup> This implies that the approved budget did not cater for Covid-19 response, a global pandemic that has had health, social and economic effects on human wellbeing at local, national and global levels. Despite this, the government took drastic changes to cater for the Covid-19 situation with great emphasis on managing its spread and maintaining the livelihoods of the population.

With increasing Covid-19 case confirmations, the Government of Uganda through the Ministry of Health realised the need to equip its health facilities with required Personal Protective Equipment like masks and gloves for health workers' protection as they treat people battling the virus. Testing kits were availed and treatment centres set up around the country to contain the disease. Restrictions were made on the movement of cross-border truck drivers who were the group with the highest rate of infections at the time, to limit their access to communities. The country went into lockdown for about two months, with only essential workers allowed to continue operations.

The lockdown was characterised by reduced economic activity and revenue generation, which raised the vulnerability of many. Whereas the Covid-19 pandemic affected all people, the effects on various vulnerable groups such as women, Persons with Disabilities (PWDs), children and the elderly, were experienced differently. Up to 85.6% of women in Uganda are in informal employment outside agriculture.<sup>3</sup> Many of them live from hand to mouth, working in small businesses with startup capital from women's savings groups. Some work in the hospitality industry in businesses such as bars, hotels, food vending on streets, night clubs, and recreation centers among others. Some of these businesses are characterised by casual labor that pays a daily wage, and lack basic formal social protection that would provide a buffer against economic distress. These businesses are vulnerable to socio-economic shocks and were greatly affected, especially during the lockdown.<sup>4</sup> Consequently many women lost their jobs, some relied on uncertain and unpredictable sources of livelihoods, while others had wage and salary cuts due to slow business operation.

With limited movement of persons and reduction in income generation, many women were required to perform unpaid care work for their families, taking up such tasks as cooking, cleaning or collecting water or firewood. Caregiving work is both time and energy consuming with very limited participation

1 <https://www.ceo.co.ug/uganda-parliament-passes-ugx45-5-trillion-budget-for-fy-2020-2021/>

2 See <https://covid19.who.int/>

3 UBOS, 2018, National Labour Force Survey 2016/17 (Main Report)

4 Ibid

of men especially for Home Based Care (HBC)<sup>5</sup> work; it lacks recognition as legitimate work, and some workers have reported abuse from beneficiaries.

Confinement at home under heightened levels of stress, uncertainty, and fear also produced stressful environments that precipitated Gender Based Violence (GBV), as women and girls were locked down with their perpetrators.<sup>6</sup> According to the Ministry of Gender's National GBV Database, Uganda registered up to 5,500 cases of GBV between March and April 2020, with more cases being reported daily. This is a high number compared to the average of 6,100 cases reported annually from 2016 to 2019<sup>7</sup>. Teenage pregnancies and child labor were also being increasingly recorded because of school closures. The Uganda Child Helpline reported 269 cases between 10<sup>th</sup> and 26<sup>th</sup> April 2020.<sup>8</sup>

Access to family planning information, commodities and services was also limited during this time. This is a point of concern as the country is likely to have a population boom due to unplanned and unwanted pregnancies during the extended lockdown period.

Besides Covid-19, the country also faced other disasters like the locust invasion, rising water levels in lakes and rivers, and floods that in some instances led to displacement of persons. The effects of these disasters such as loss of livelihoods and displacement, are majorly felt by women who must provide for their families with or without support. This situation was further amplified by the pandemic.

## **FY 2020/21 Budget Response to the Social and Economic Needs of Women Amplified by the Effects of Covid-19**

The Covid-19 outbreak in Uganda had dire implications on the country's budgets, financing and taxation. Due to the Covid-19 lockdown and subsequent drag in economic activity, the Ministry of Finance realised an estimated shortfall in revenue of UGX 3 trillion in FY 2019/20.<sup>9</sup> This not only called for a revision of the targets earlier set but also frugality in expenditure. The government passed a supplementary budget amounting to UGX 304 billion to manage the effects of Covid-19. Of this, UGX 82.6 billion was allotted to the Ministry of Health, UGX 36 billion to Local Governments and UGX 59.4 billion was meant to support vulnerable groups including women.<sup>10</sup> Additionally, government received donations from the public in both cash and non-cash items like food, cars and protective gear to cater for the effects of Covid-19.

To cover the revenue shortfalls resulting from the lockdown, government identified and redirected financing to budget items in the FY 2020/21 budget that could be reallocated. These included workshops and seminars hire of venues, welfare and entertainment, printing, stationery, photocopying, and binding, travel abroad, purchase of aircrafts, furniture and fixtures, special meals and drinks, and donations, among others. Focus was placed on critical expenditures like health and agriculture to ensure the population had access to the basics like food and clean water. These reallocations did not have significant distortionary effects on the running of the government activities.

To ensure business continuity and promote communication and connectivity, Bank of Uganda worked with mobile money providers and commercial banks to reduce charges on mobile money transactions and other digital payment charges. This was specifically to support trade through the continuity in transactions despite the lockdown. Most of these services are used by the population, including women.

5 Any form of assistance provided to a sick person referred to as the patient directly in the home by family, friends and members of the local community, cooperating with the advice and support from the trained health workers. See <http://origin.searo.who.int/myanmar/areas/hivaidshcbctraining/en/> and [https://www.ilo.org/wcmsp5/groups/public/---ed\\_protect/---protrav/---ilo\\_aids/documents/legaldocument/wcms\\_127537.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---ilo_aids/documents/legaldocument/wcms_127537.pdf)

6 [https://reliefweb.int/sites/reliefweb.int/files/resources/GBV\\_and\\_COVID\\_Policy\\_Brief\\_FINAL.pdf](https://reliefweb.int/sites/reliefweb.int/files/resources/GBV_and_COVID_Policy_Brief_FINAL.pdf)

7 Author's computation from the National GBV Database of total cases reported 2016 (7,667), 2017 8,400, 2018 (3,444) and 2019 (5,110)

8 Ministry of Gender, Labour and Social Development

9 MFPED 2020, Performance of the Economy Reports

10 <https://csbag.org/wp-content/uploads/2020/04/CSBAG-STATEMENT-ON-COVID-19-SUPPLEMENTARY-REQUEST.pdf>

The government also prioritised the capitalisation of Uganda Development Bank (UDB) and microfinance institutions to provide affordable credit to Small and Medium Enterprises (SMEs) to cushion against the effects of slowed business operation. Government further cleared all domestic arrears for its service providers the private sector, to increase liquidity.

## **Financing Priorities to Ensure Strategic Response to the Needs of Women During the Pandemic**

With high rates of violence against women, increased vulnerability of families, increase in child abuse and neglect during the lockdown, women are needed at the centre of all response and recovery efforts to mitigate negative impacts on them and to ensure a sustainable recovery. Below are proposals on what government can do to ensure strategic response to women's needs during the Covid-19 pandemic:

- **Promotion of local businesses to boost trade and substitute imports:** The closure of borders nationally and internationally to reduce the spread of Covid-19 presented a gap in availability of commodities on the market and an opportunity to substitute imports. The government increased import duties on goods that are produced or can be produced locally by setting a 60% import duty for agricultural products and 35% for other products that can be produced internally.<sup>11</sup> With up to 89.9% female youth in informal employment outside agriculture,<sup>12</sup> this not only provides job opportunities in the respective economies but also generates income for the population. However, government should emphasise quality assurance of the commodities produced for import substitution.
- **Strategically finance microfinance institutions to support the informal sector at rates lower than the commercial bank rate:** Many business people shared how difficult it is to access credit from the mainstream financial institutions, even when they comfortably fall into the bank's creditworthy category of clients. It gets worse for the vulnerable members of society, particularly women.<sup>13</sup> Microfinance and banking institutions roll out various credit facilities for micro, small and medium-sized women entrepreneurs in groups but the terms are distressing, with short repayment periods and high interest rates. Government in FY 2020/21 designed and secured financing for the 'Emyooga' Talent Support Scheme<sup>14</sup> for which an allocation of UGX 256 billion was made. For this to benefit women, it should target established women's groups or Savings and Credit Cooperative Societies (SACCOS)/ Village Savings and Loan Association (VSLA), and in turn support the informal sector, which constitutes up to 89.9% of the economy. Government should provide more credit facilities with low interest rates to increase access, lower demand on securities and to reduce losses from failure to pay back given the slow economic performance. Government should also make deliberate efforts to cap interest rates, while ensuring that microfinance institutions meet their operational costs.
- **Promotion of alternatives to business transactions like e-commerce:** The lockdown period justified the need to have alternatives to business transactions besides face-to-face interactions. Social media platforms played a major part in business continuity, linking customers to suppliers. This is however limiting for people who cannot afford the gadgets, internet services and have little knowledge on how to operate them. Women-owned businesses have shown innovation

<sup>11</sup> KPMG, Budget Brief for Uganda 2020

<sup>12</sup> [https://www.ubos.org/wp-content/uploads/publications/10\\_2018Report\\_national\\_labour\\_force\\_survey\\_2016\\_17.pdf](https://www.ubos.org/wp-content/uploads/publications/10_2018Report_national_labour_force_survey_2016_17.pdf)

<sup>13</sup> <https://www.newvision.co.ug/news/1452953/extending-credit-women-critical-spurring-household-livelihoods>

<sup>14</sup> Emyooga SACCO is a presidential initiative by H.E Yoweri Kaguta Museveni to help organized groups in Uganda access government funds and financial support for investment

by integrating Information Technology into their operations. However, the scale and reach are still low. For example, the Market Garden App developed by the Institute for Social Transformation (IST)<sup>15</sup> was already available before the pandemic and could really benefit from government support. The Ministry of Information and Communications Technology should prioritise the use of digital services by investing more in creating awareness for the public to benefit from national, regional and global business opportunities. Government must provide incentives that can spur integration of technology in women-led businesses, enable them to participate in e-platforms and leverage opportunities such as digital access to information on inputs, markets, price shifts, quality and standards. Incentives like reducing high internet costs, abolition of regressive taxes like Over the Top Tax (OTT) which make it almost impossible for women to integrate ICT in their work and targeted ICT business-oriented capacity building programs, can be some of the ideas fronted for women and the business community to benefit from online opportunities.

- **Financing home-based care work:** As the number of Covid-19 cases goes up with overwhelmed health centres, government is promoting home-based care especially for patients not in a critical state. This will necessitate facilitation of home-based care especially for the women care providers, thus shifting the unpaid burden to home-based care work. Government should therefore consider providing stipends for women who are caring for the sick, particularly those down with Covid-19.
- **Investment in public awareness, justice system and psychosocial support:** Public engagement is crucial in the reduction and prevention of violence against women, as well as respect for human rights. Government should invest greatly in raising awareness on the need to have respectful and violence-free intimate relationships. In addition, investment should be prioritised in the Justice, Law and Order sector to ensure access to justice for violence survivors. They should also be able to access shelters for refuge that can be supported by government through facilitation of their operations to provide basic needs and psychosocial support. This investment would be in fulfilment of the National Social Protection Policy. In addition, as many people continue to lose jobs or means of economic livelihoods, this is likely to result in depression and mental health challenges which requires enhanced counselling and psychosocial support services to communities to enable them cope with their new realities.
- **Design disaster resettlement packages for affected communities:** It is also necessary for Government to provide resettlement packages for the displaced population so that they can establish small businesses and boost production for local markets to improve their livelihoods. Businesses affected by disasters, particularly those owned by special interest groups, should be profiled and relevant socio-protection measures taken to cushion them from the double tragedy. This calls for government to readily avail resources to the contingency fund to manage these unforeseen circumstances.
- **Funding social protection:** With the increasing number of vulnerabilities from the population, including the high numbers in the unpredictable informal sector, the high level of disasters, increased level of inequalities, government needs to invest in social protection to reduce the burden on the vulnerable. Government should explore new and innovative avenues to minimise social exclusion and discrimination while promoting empowerment and resilience of poor and vulnerable families. In addition, government should promote a multi-sectoral coordination mechanism and align all social protection interventions with the government's policy agenda and programmes.

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<sup>15</sup> This is a vendor app that allows female market vendors from the local Ugandan grocery markets to customers who wish to purchase fresh goods. See <https://play.google.com/store/apps/details?id=com.lst.elinemarket&hl=en&gl=US>

## How Civil Society can Organise to Demand for Accountability

Civil Society Organisations (CSOs) have a critical role to play in ensuring prudent implementation, access to government interventions for all citizens, and ensuring no one is left behind. CSOs can actively participate in and influence the Covid-19 interventions through the following approaches:

**Understanding and assessing government interventions under the NDP III:** In FY 2020/21, Uganda is beginning the implementation of its third National Development Plan (NDP III) meant to guide the country's developmental direction for the next five years. Eighteen programme interventions were identified under the NDP III, many of which can directly impact the livelihoods of women, for example, human capital development, community mobilisation and mindset, agro-industrialisation, among others. As CSOs, it is crucial to follow up on government implementation of the NDP III to ensure fulfilment of plans that favour women for increased livelihood and highlight the gaps for government's attention.

**Increase the capacity to engage in macro-economic policy issues:** CSOs have glaring gaps in interrogating and debating issues of taxation and government expenditure and yet this is critical for accountability. Popularising relevant budget information has proved instrumental in influencing government policy debates and implementation. Key examples of these include the increasing spaces provided before Parliamentary Committees and Inter-ministerial Committees to present alternative budget proposals. CSOs should continue to utilise these spaces with relevant and timely evidence-based budget information for duty bearers to influence government budgeting and service delivery priorities. Increased knowledge and engagement with the country's macro-economic landscape will mobilise citizens to demand for greater accountability from duty bearers particularly around better service delivery.



**Government should explore new and innovative avenues to minimise social exclusion and discrimination while promoting empowerment and resilience of poor and vulnerable families.**



**The Informal Sector in  
the Grip of the Pandemic:  
Experiences and Strategies  
for a Resilient Recovery**

**Several months after the onset of the Covid-19 pandemic triggered a worldwide lockdown of borders and the shuttering of business activity, it is now possible to do a more comprehensive stock taking of its impact across different areas of life. It has emerged that vulnerable workers in the informal sector in the global south have been hit very hard. While the virus itself may not discriminate, inequities embedded in social, economic, and political structures mean that the impact of both the virus and containment measures are significantly worse for vulnerable populations.**

And yet, even with the benefit of time and information, interventions targeting the informal sector have largely been inadequate. Because the informal sector remains largely invisible, relief support rolled out by government to boost the economy and workers, has not been felt. As many relief efforts have been built on pre-existing relationships between states, workers and businesses, they have inadvertently deepened the gap between formal and informal economies. Therefore, the big issue for interrogation is; what has been the impact of Covid-19 on the informal economy and what is the 'new normal' as informal sector workers navigate an increasingly precarious and even dangerous work environment?

### **Broad context of the experiences of women entrepreneurs in the informal economy during the pandemic**

According to the Uganda Bureau of Statistics report 2014, out of 7.3 million households in Uganda, 32% have an informal business and yet labour laws do not recognise the informal sector. Women constitute the highest number of workers in the informal economy. The informal businesses that most women typically own are not registered, regulated or insured. Majority have no address and operate at random, do not keep books of accounts, use borrowed money from relatives and friends as capital, and earn a daily wage. Street vendors constitute the highest group of informal sector workers operating in a highly contested public space.

The absence of recognition from authorities puts informal sector workers at risk of human rights abuses. This context speaks to the increased violations in a period of restriction, such as during the lockdown. Lockdown measures such as closure of markets and restriction of movement on the streets where majority of informal sector workers operate, meant no work, hence infringing on workers' basic right to work and earn a livelihood, and by extension infringement on the rights to food, housing, medical care etc., all of which rendered citizens destitute.

Most women entrepreneurs are known to head single parent households, bearing the sole responsibility of catering for their families' needs such as food, clothing, housing, education, safety and security, medical treatment. They do this while shouldering the burden of unpaid care work. The sudden reduction in income because of the pandemic created a crisis as women could no longer fend for their families.

Furthermore, the disruption in the supply chain because of restrictions in movement and closure of borders, as well as a fall in demand for goods and services because of decreased disposable income, affected businesses continuity for many entrepreneurs. For many women who trade in perishable agricultural produce, they either had to sell it at a loss or watch it rot away. Several women therefore had to sell off whatever assets they had or take loans with unfavourable terms in order to stay afloat and cater to their families' needs. This has heightened the vulnerability that was already present before the pandemic.

## **Support from business membership associations: The case of KACITA**

Kampala City Traders Association (KACITA) is a business support group with about 200 members with the main aim of facilitating trade by bringing together the business community. The activities of the association during the pandemic paint a clearer picture of how businesses were impacted and how belonging to the association enabled traders to cope.

The immediate impact of the pandemic on KACITA members was loss of income because of closure of shops in line with lockdown measures. With no customers to buy goods, many goods reached their expiry date, exacerbating the situation. Relatedly, many members who had secured loans for their businesses could not make payments. However, it was not all doom and gloom for KACITA. A number of traders took the opportunity to start trading online using apps like [Kikuubo Online App](#) and other social media platforms. Others diversified their businesses by making and selling masks and liquid soap to meet increased demand.

As an association, KACITA undertook several interventions to support traders. First, they negotiated with landlords to postpone rent collections from shop owners, reduce rent or waive it altogether. The landlords had been insistent with their demands as banks put pressure on them as well to pay back due loans. KACITA also lobbied the government to provide an economic stimulus package to prevent businesses from collapsing. Key to this request was for the government to prevail on commercial banks to reduce interest rates since they were unaffordable and unsustainable for traders.

KACITA also sensitised its members on how to access opportunities for economic support availed by the government. Although the government had promised a low interest loan facility, many traders had not accessed it because they did not know how.

## **The informal economy during the pandemic: The lived experiences of women**

The experiences of women in the informal sector during the pandemic paints a picture of neglect of their needs by the state and other duty bearers. Domestic workers who are rendered invisible at once by the walls behind which they work and the lack of recognition of the work they undertake, have faced increased marginalisation during the pandemic. During the lockdown, many live-out domestic workers who had to commute to work, could no longer do so because of restrictions in private and public transport. This effectively cut off their source of income. For their live-in counterparts, the



**KACITA also sensitised its members on how to access opportunities for economic support availed by the government. Although the government had promised a low interest loan facility, many traders had not accessed it because they did not know how.**

amount of work increased due to children being out of school and parents working from home. The increased workload however was not complemented with a commensurate raise in pay. Others were not paid at all, particularly for those whose employers also lost employment.

For street vendors, the first impact was felt with the restriction on transport. Street vendors rely on human traffic to hawk their wares. With the closure of public spaces and restrictions in transport, their customer base disappeared, and with it, daily income to fend for themselves and their families.

Majority of women in the informal sector have male partners who also work low wage jobs in the same sector. For households that were benefitting from two, albeit low incomes before the pandemic, restrictions in activities in the informal sector dealt a double blow as both partners lost sources of income. For example, the source of income for men who ride boda bodas (motorcycle taxis) disappeared because of restrictions in transport. The stress on income also spilled over to intimate relations. The lockdown period was marked with increased incidence of domestic violence. "Because most of our husbands are at home, if you ask for money for food, you end up quarrelling because he is not working," one worker shared.

Women in markets had opportunities to work but at a cost to their wellbeing. To reduce the risk of spreading the virus, people working in markets were directed by the president to sleep there. The vendors had to sleep on their stalls or share motel rooms within the market. Some had to spend the night in unfinished buildings nearby, especially when it rained, and they could not afford decent accommodation. Therefore, although markets remained operational and provided income, the vendors, the majority of whom are women, could not go back home. Many of them who still would have liked to go home could not do so because of the ban on public transport. Women vendors were therefore separated from their children for a long time, forcing some to even stop breastfeeding. Furthermore, the markets having not been constructed for overnight stays and did not have adequate sanitary facilities. Women had to take showers in the toilet as there were no provisions for bathrooms. The women shared that they felt at risk of violence and contracting diseases because of their sleeping arrangements and unsanitary conditions.

Although markets remained operational, business still suffered because clients could not access markets because of the ban on transport. Many people simply adapted to this by ordering goods for delivery using their phones. However, a new challenge arose as middlemen who previously connected vendors to farmers suddenly started supplying goods directly to buyers, effectively cutting vendors out of the supply chain. Vendors were also entrapped by money lenders who charged high interest rates on loans, some as high as 28% per month. People who had secured loans before the lockdown still had to figure out how to pay them. Amidst all this hardship, and despite being the target group for the food relief provided by the government, several women workers reported not receiving relief on time and some did not receive any.



## Recommendations

In order to ensure a timebound, resilient and inclusive recovery from the impact of Covid-19 by people in the informal sector, the following recommendations should be considered:

- **Provide time bound economic relief and support business continuity.** The informal sector makes a 54% contribution to GDP (Uganda Bureau of Statistics National Labour Force Survey 2016/17) and yet this staggering contribution is invisible because the majority sector workers are uneducated and poor, with most of them women. Providing a stimulus package to the sector will signal their importance to the larger economy, while securing the livelihoods of millions of people. The economic relief interventions should entail the Central Bank reducing its lending rate to force commercial banks to do the same while making available low interest credit to small businesses. This should be complemented by loan rescheduling to ensure borrowers in the informal sector make repayments when they are back on their feet. People in the sector have also expressed a need for reduction in the cost of essential goods like food, electricity, water, and internet data to help them cope with having lower disposal income. Lastly, government agencies such as the Uganda Revenue Authority (URA) and the Kampala Capital City Authority (KCCA) should treat players in the informal sector like partners instead of using high-handed methods to enforce compliance on issues like taxes and trading licenses.
- **Ensure protection from the risks of Covid-19.** Informal sector workers are most at risk of catching and spreading Covid-19 because of the crowded nature of the business environment. Furthermore, sanitary facilities have been observed to be scarce or not well maintained in areas of business. It is the government's responsibility to provide protective gear such as masks and gloves, and avail hand washing points with soap and hand sanitizer to ensure that these places do not become hot zones for disease spread. Additionally, the government should utilise the networks established by associations to distribute the protective gear. It is also critical that information on the pandemic is translated to different indigenous languages and disseminated widely to people in this target group.
- **Unleash the full potential of e-commerce.** The pandemic has shown the limitations of brick-and-mortar operations in a context where limited human interaction is desired. Supporting the informal sector to shift their businesses online is therefore critical to business continuity. Already, a significant chunk of the world's business is conducted online, which means that the digital divide will only widen if the informal sector does not get on board. The central and local governments can avail small grants for basic computer literacy training. Of course, the cost of internet data is prohibitively high, in part because of regressive taxes like the social media tax which has impeded poor people's access to information online. For this exercise to succeed, the tax must go. Lastly, consumers should be given incentives to utilise e-commerce platforms to access different products. While a number of women market vendors use the market-garden app to get their goods to clients, this is still not widely used.

- Diversification of skills for survival. The pandemic has also shown the futility of a single skill. Workers in the informal sector should diversify their skillset so that they are responsive to changes in the business environment. Associations such as KACITA can design and fund re-skilling programmes for workers. For example, a group of women who sell fruits may be reskilled to learn fruit processing. To ensure sustainability and continued support, those with a transferable skillset can be deployed to respond to business needs arising from the pandemic. For instance, they can be awarded contracts to make and supply masks and scrubs for hospitals.
- **Fund social protection.** The ramifications of lack of safety nets have become very clear with the onset of the pandemic. With incomes wiped out overnight, government's obligation of protecting vulnerable citizens is urgent now more than ever. The government should prioritise reallocation of funds to social protection to take care of the newly unemployed or those incapacitated because of sickness. Critically, this funding would also go to domestic violence shelters which offer refuge to women fleeing violence. With the increase in cases of violence against women during the pandemic, this should be non-negotiable.
- **Strengthening the labour movement and citizen voices.** The labour movement has been instrumental in winning gains for workers in the informal economy. In Uganda, workers associations could be stronger in demanding for worker-centred responses. Workers can only gain strength and legitimacy with numbers. They should therefore be encouraged to join associations, unions, and other groups from which they can speak as a collective and amplify the concerns of the informal sector businesses to duty bearers.

## Conclusion

While the effects of the pandemic have been felt world over, the informal sector has, and continues to be disproportionately affected. Government needs to fast-track response for economic recovery for those most affected, especially women in the informal sector. While the recommendations here are not exhaustive, they are a great place to start for government, civil society, workers' unions, associations and other collectives to do better.

*This paper is a synthesis of reflections shared at the webinar; **The informal sector in the grip of the pandemic: Experiences and strategies for a resilient recovery.** The panel was composed of Hope Kasimbazi, Board Member, Uganda Women Entrepreneurs Association Limited (UWEAL); Flavia Amoding, Programme Officer, Uganda Workers Education Association (UWEA); Hope Katwiine, Vice Chairperson, Kampala City Traders Association (KACITA), and Chair, Women's League. It was moderated by Martha Tukahirwa, Regional Advocacy and Communications Officer, Strategic Initiative for women in the Horn of Africa (SIHA Network). Fionah Komusana served as rapporteur.*

*Workers in the informal economy who shared testimonials about their experiences include Catherine Wanyama, entrepreneur, Nakawa Market; Hanifer Katwesige, Chairperson, Uganda Domestic Workers Association; Amony Josephine Sunday, Secretary Naguru Women's Cooperative, and Betty Lunkuse, Home-based Workers' Network in Uganda.*



**Supporting Girls Key in  
Education Sector Recovery  
from Covid-19**

**by Saphina Nakulima**

## Introduction

In 2019, on behalf of the Initiative for Social and Economic Rights, I travelled to Amudat and Nakapiripirit districts to conduct research on the status of the implementation of Sustainable Development Goal (SDG) No.4 on education in Uganda. While collecting data, I listened to horrifying stories from head teachers about girls who considered school 'home'. Their own homes were not safe since they were forced into marriage as soon as their breasts developed. For these Karimojong children, school also kept them safe from Female Genital Mutilation, sexual violence, and other violations.

This is the experience of many girls in different parts of Uganda. They also deal with poverty, gender-based violence and poor or inadequate sanitary facilities in schools. It is not a public secret that Covid-19 has only exacerbated the challenges faced by girls in accessing education. The pandemic necessitated school closures to control the spread of the virus and protect children. According to UNICEF, this however has had a negative impact on school-going girls with a worrying number of them getting pregnant during the period. In Kitgum District for example, 1,519 girls<sup>16</sup> are reported to have visited a hospital for antenatal care since schools were shut in March 2020. The number of pregnant girls is still going up countrywide.

## Pre – Covid-19: The state of girls' access to education in Uganda

Due to the historical marginalisation of women, the government of Uganda formulated and implemented several policies and programmes over the years, aimed at promoting girls' access to education. Universal Primary and Secondary Education, the Gender in Education Policy, 2009, the Gender in Education Strategic Plan, 2015–2020, and the National Strategy for Girls' Education, 2014–19, were all deployed to achieve this goal. Although, there are still several gaps, these policies and initiatives have contributed to an increase in access to education for girls. For instance, gender parity has been achieved in primary education enrolment. However, there are still big gaps in other outcomes in the education sector. The National Assessment of Progress in Education, 2018, indicates gender disparity in the numeracy rate at primary six level of 56.2% for boys compared to 45.9% for girls. The Education and Sports Sector Analysis (ESSA) report, 2019, on the other hand reports an even more pronounced gap in secondary education. The enrolment for boys is 29% compared to 25.2% for girls, and the senior four completion rate for girls is 36% while that of boys is at 39.6%. The report further indicates that

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<sup>16</sup> Kitgum leaders fear schools may not have female students after lockdown due to teenage pregnancy – Alex Taremwa <https://www.unicef.org/uganda/stories/kitgum-leaders-fear-schools-may-not-have-female-students-after-lockdown-due-teenage>

despite the introduction of the Universal Secondary Education (USE) programme in 2007, various studies show that 69% of adolescent girls have never attended secondary school.

Limited access to education for the girl child is attributed to several factors. According to the 2013 Participatory Gender Audit by the Ministry of Education and Sports (MoES), some of these include increased cost of education due to the added price of sanitary towels, inadequate water and sanitation facilities, among others.

The other challenge affecting girls' enrolment, learning, retention and completion is violence. A 2018 study by the Ministry of Gender, Labour and Social Development and MoES titled, "Violence Against Children Survey", reported that one in four (25%) girls aged 13 – 17 years have experienced sexual violence, largely perpetrated by neighbours and strangers.

The dire status of girls has been exacerbated by the discriminative policies against those who get pregnant while in school. Until 2018, there was a practice of suspending pregnant girls from school. However, upon revision, it placed a 'one-year leave of absence from school' as a pre-condition for retuning. This however has resulted in girls never returning to school. This can be attributed to several reasons. First, this precondition makes girls lose morale for returning to school because of fear of being stigmatised. Secondly, the rude and judgmental way they are sent home by the school administration suggests that they should not return to school. Thirdly, in most cases, the young girls are married off by their families to the men responsible for the pregnancy. In a society where women and girls are controlled by their partners, the girls are not allowed to go back to school by their husbands. It is no surprise therefore that 23% and 35% of girls in Uganda drop out of school due to pregnancy and early marriage, respectively.

All these challenges have derailed the efforts to achieve equitable access to education by all children, especially girls. The situation has been worsened by the outbreak of the coronavirus and the resultant lockdown that led to closure of all education institutions.

### **Covid-19 and its effects on girls' access to education**

On 20<sup>th</sup> March 2020, the government of Uganda closed education institutions to curb the spread of the coronavirus. Whereas learners in high-end traditional and private schools continued learning via internet-enabled platforms, their counterparts in government-aided primary and secondary schools, as well as those in low-fee private schools have not had similar access. The pandemic and the resultant lockdown simply aggravated this crippling inequality. Although the government provided other avenues for learning, including lessons



**Limited access to education for the girl child is attributed to several factors. According to the 2013 Participatory Gender Audit by the Ministry of Education and Sports (MoES), some of these include increased cost of education due to the added price of sanitary towels, inadequate water and sanitation facilities, among others.**

on radio, television and printed self-study materials, a significant portion of the population could not afford them due to pre-existing poverty or a drop in income as a result of the pandemic. To survive, some families have sent off their daughters to work as domestic workers to provide additional income, leaving no opportunities for continued study outside school.

In the same vein, the requirement to study from home simply does not bode well for girls. Due to societal expectations, women and girls bear the burden of caregiving and other domestic chores. Before the pandemic, girls were often late to school, and quick to leave later in the day as they had to attend to chores before and after school. The chores were always done at the expense of homework and rest. With everyone at home because of closure of schools, the work will only increase, leaving little room to attend to schoolwork. Therefore, although the closure of schools may widen the achievement gap between the children of the haves and the have-nots, the outcomes for gender equality will be significantly worse, particularly for the poor.

The lockdown has also seen an increase in cases of early marriages and teenage pregnancies. A report by Human Rights Focus Uganda (HURIFO) indicates that a total of 4,062 cases of teenage pregnancy have been recorded in six out of eight districts in Acholi sub-region in northern Uganda within five months of the pandemic. The surge in cases of defilement and teenage pregnancies has far reaching consequences including high drop-out rates in the short term and high levels of illiteracy and cross-generational poverty in the long-run.

Reduced access to education by girls will also greatly affect the Ugandan economy. A recent assessment by World Vision's Covid-19 Global Education Coalition, 2020, indicates that any failure by countries in sub-Saharan Africa to ensure the continued education of girls could lead to the region's economy suffering from a further US\$10 billion loss in GDP above and beyond the immediate crippling effects of Covid-19.

Education presents an opportunity to increase women's incomes, the power they have over their lives especially in marriage, personal health and that of their children, as well as the ability to challenge societal attitudes that have impeded their liberation for centuries. The outbreak of Covid-19 and the instituted measures to curb it, are resulting into reduced opportunities for girls' access to education. This is most likely to perpetuate illiteracy, poverty, and vulnerability as majority of these girls will not have the skills, competence and qualifications to seek and engage in gainful employment. As a result, there will be continued control and domination of women by their male counterparts.

## **The right to education, and feasibility of the government measures in ensuring girls' continued access to learning during Covid-19 lockdown**

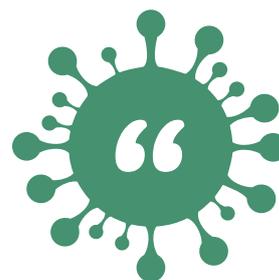
Uganda is party to several international and regional human rights instruments that guarantee girls' right to education, including in periods of emergencies and crises such as the current pandemic. At the time of closure of schools, the MoES did not issue a plan for continued learning; however, it developed its Preparedness and Response Plan for Covid-19, under which it largely worked with three scenarios (1) the current school closures; (2) extending the period of closure; and (3) risk reduction and recovery. From this, it derived the Framework for Continued Learning During the Lockdown announced to the country on 4 April 2020. The major aim of the framework was to, among others, guide and implement short-term continued learning. Through (i) preparation, printing and distribution of self-study home packages to 25% of the learners in primary and secondary school; (ii) Uploading of the self-study home packages on the MoES and National Curriculum Development Centre websites for downloading by parents and guardians who could access and afford; and (iii) radio and television lessons.

Although the government's efforts towards continued learning during the lockdown are commendable, there have been several shortcomings in achieving the intended purpose, especially for the girl child. For instance, the timetable for radio and television lessons was not effectively publicised. This did not allow girls who bear the disproportionate burden of domestic chores to ready themselves for the lessons. Knowing the timetable in advance would have perhaps helped them prepare and save time to attend the lessons. Accessibility to radio and television lessons were further affected by the limited ownership. Only 73% of households in Uganda own phones individually and collectively, 45% own radios individually and collectively and only 17% own televisions sets<sup>17</sup>. This situation would have been somewhat salvaged by the provision of self-study materials, but as noted earlier, only 25% of the materials were distributed, which left many learners out. However, even for some families that received the materials, some parents could not support their children, either because of their busy schedules or because they were illiterate. This is most likely to cause far reaching implications to the girls and the country in the near future.

### **Policy recommendations and reforms to avert the current and future inequalities**

Addressing the above highlighted inequalities requires implementation of fiscal, legal, policy and administrative reforms on the part of the state. The Ministry of Education and Sports needs to do the following:

- **Safely reopen schools for all learners under strict conditionalities.** This is intended to offer relative protection to girls from the sexual abuse and address the worsening inequality in access to education. Currently, despite school closures, children in most communities are loitering, playing and associating with each other in their neighbourhoods, which should allay the fear that children will spread the disease if they associate closely with each other in a school environment. For schools to open safely, management needs to be sensitised on Covid-19 prevention measures, and standard operating procedures instituted to ensure a safe learning environment. Parents with children in day schools should be encouraged to enrol their children in schools within their communities of residence. This requires the ministry to plan and secure resources to support the public and government-aided schools to meet the standard operating procedures. The ministry should also work closely with education officers in District Local Governments to monitor and ensure that schools meet the set standards for reopening of schools.



**There are still big gaps in other outcomes in the education sector. The National Assessment of Progress in Education, 2018, indicates gender disparity in the numeracy rate at primary six level of 56.2% for boys compared to 45.9% for girls.**

<sup>17</sup> Uganda National Household Survey 2016/2017 [https://ubos.org/wp-content/uploads/publications/03\\_20182016\\_UNHS\\_FINAL\\_REPORT.pdf](https://ubos.org/wp-content/uploads/publications/03_20182016_UNHS_FINAL_REPORT.pdf)

- **Implement Section 10(3) of the Education Act, 2008.** The provision mandates the government to ensure that children who drop out of school before completing their primary education cycle attain basic education through alternative approaches. Since the enactment of this Act, this provision has not been implemented. With the lockdown, the number of school dropouts are likely to increase. The designing and implementation of out-of-school programmes for the out-of-school children will afford them an opportunity to complete their basic education cycle.
- **Abolish the policy that requires pregnant schoolgirls to take a year's absence from school** as a pre-condition for returning to school. This practice is likely to push the large number of girls who got pregnant during the period of closure to drop out completely. This policy is also discriminatory because even when girls get impregnated by boys in their class or school, they are the only ones who are penalised. The Ministry needs to reform this policy to ensure that both boys and girls involved in sexual acts that result in pregnancies are provided with comprehensive support to enable them to continue their education as the cost of suspension or expulsion is too high.
- **Direct schools to have a policy response plan that offers catch –up programs for girls** whose learning has been disrupted by care-related tasks or work at home. Several children, especially girls are missing out on learning from ongoing initiatives such as lessons on radio and television. Upon resumption of school, there is need for schools to design remedial classes for such learners to enable them catch up with the rest of their colleagues who have had the opportunity to access learning during lockdown.



**Covid-19 Response and  
Recovery: Structural  
Transformation Required to  
Avert Looming Care Crisis**  
by Racheal Wanyana

**It has been over seven months since the World Health Organisation declared the coronavirus a global pandemic. In the days following the declaration, as celebrities, political leaders and even heads of state came forward to announce they had tested positive, there was speculation that the virus would be the “great leveller”. Finally, here was something that affected people across social and economic backgrounds and strata. From the market women of Kalerwe, to A-list celebrities in their palatial homes, domestic workers to prime ministers, no one was immune to the virus. This sweeping supposition of Covid-19 as a ‘leveller’ could not have been more wrong.**

In a matter of weeks, as countries adopted Standard Operating Procedures (SOPs) to curb the spread of the virus and flatten the curve, it became more apparent that Covid-19 does not affect everyone the same. Whereas we all might be at risk of infection, differences in our social-economic backgrounds, contexts and lived realities determine how we experience the pandemic. As the SOPs came into force, sections of the population which were already experiencing the highest degree of socio-economic marginalisation that bore the brunt of the virus.

In Uganda, this section largely comprises of women, a group that make up 78.9% of the population and is engaged in vulnerable employment or the informal sector<sup>18</sup>, with no or limited access to social protection and economic security to take leave, seek treatment, or even cope with a lockdown. Women are also worst affected by chronic poverty. Some 27% of the chronically poor households in rural areas and 40% in urban settings are headed by women<sup>19</sup>. Being a woman in Uganda further means higher vulnerability to unemployment, and if employed, earning less for the same work. Female unemployment stands at 13.2%, compared to 5.8% for men<sup>20</sup> while the median monthly earnings for young women aged 18-30 is 35% less than that of men in the same age bracket, even when they have the same qualifications.

In the domestic sphere, prevailing gender norms mean that women and girls undertake the bulk of unpaid care work. A 2018 Gender Assessment by UWONET revealed that women spend up to 7.5 hours per day on unpaid care work, compared to two hours by men. The large amount of time spent by women and girls on unpaid care means that their participation in civil, economic and social spheres, as well as public life generally, is restricted. The drudgery associated with care work and lack of leisure time has also been reported to reduce women and girls’ wellbeing, leaving adverse health outcomes<sup>21</sup>. The pandemic has aggravated this suffering.

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18 School-to-work transition survey (SWTS), 2015

19 Chronic poverty in Uganda: the policy challenges, Elvis Basudde, 2013

20 Uganda National Household Surveys of 2016/17.

21 Eyben and Fontana, 2011

As the lockdown was imposed and rural health centres suspended services, social norms dictated that women step in to meet arising care needs for the sick. Emerging data indicates that women and girls have been carrying the disproportionate responsibility of providing care during the ongoing lockdown<sup>22</sup>. They are looking after children, cooking, cleaning, collecting water, even subsidising government by providing free education to children, caring for the sick, older family members, and persons with disabilities.

For working mothers, they have had to juggle unpaid care work with paid work. Measures adopted by most employers, including remote working, or allowing mothers to bring children to the workplace (as the lockdown eases), have intensified multitasking, placing further burden on women's physical and mental well-being.

Whereas there is growing acknowledgement of the fact that women are shouldering the bulk of unpaid care, efforts to address the structural causes of the unequal distribution of care work and the looming care crisis, which will no doubt unduly affect women, are still deficient.

## The looming care crisis

The care crisis has been steadily growing over the years, but the Covid-19 pandemic has pushed it to the brink of a breaking point.

By placing a strain on health and care systems, the pandemic is overlapping with the population bulge, ageing societies, the changing nature of families and shortcomings in social policies, to create an unprecedented deficit in care service provision and its quality. According to the 2018 Care Work and Care Jobs report by the International Labour Organisation, by 2030, the number of people in need of care is expected to reach 2.3 billion, driven by an additional 0.1 billion older persons and an extra 0.1 billion children aged 6 – 14 years. The rising prominence of nuclear families, single-headed households, and the growth of women's employment, will also most likely increase the demand for care workers.

In 2018, nuclear families accounted for the highest portion of the world's working-age population (43.5% or 2.4 billion people), while single-headed households accounted for 5.3% of the global working-age population. A total 78.4% of these households were headed by women who are increasingly singlehandedly shouldering the financial and childcare responsibilities of households<sup>23</sup>.

While men are reported to be doing more care work, the gender gap in the time devoted to unpaid care responsibilities declined by just seven minutes per day over the last two decades<sup>24</sup>. At this pace, it will take 210 years to close the gender gap in unpaid care work. The slow rate of these changes calls into question the effectiveness of past and current policies in addressing the extent and division of unpaid care work over the past decades.

## The need for structural transformation

Averting the looming care crisis necessitates complete structural and transformative change that encompasses a radical social transformation, building comprehensive care and social protection systems and reorientation of our national and global macroeconomic policies.

For decades, feminist economists, civil society and care advocates have been proposing a set of solutions to radically reprioritise care, including the transformative **5Rs approach** which recommends **recognising, reducing** and **redistributing** unpaid care, ensuring adequate **reward** systems for paid care workers and prioritising **representation** of caregivers and care recipients from policy design to evaluation.

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<sup>22</sup> <https://theconversation.com/pandemic-underscores-burden-women-carry-doing-paid-and-unpaid-reproductive-labour-142949>

<sup>23</sup> Ibid, 6

<sup>24</sup> Care work and care jobs for the future of decent work report, 2018, ILO

I borrow from these principles to put forth four action points that I believe can help us realise the rights of carers, build a more equal society and prevent the impending severe and unsustainable global care crisis.

## **1. Let us humanise women**

To address the unequal unpaid care and domestic work responsibilities borne by women, we need to first kill the dominant narrative of the superwoman. We need to acknowledge and promote the humanity of women. To dispel harmful social norms and sexist beliefs that see care work as the responsibility of women and girls. Norms that put forward a fallacious representation of the woman as an indefatigable superhuman who, by virtue of her sex, can seamlessly balance multiple roles at work and in the home. There is no scientific evidence supporting the myth that women are super-human multitaskers. Women, like men, are human with limited time, energy and skill sets. We should free them to enjoy leisure and explore their full potential beyond the domestic spheres. Let us free them by redistributing care responsibilities.

Unpaid care and domestic work are a social good which sustains families and communities and makes a significant contribution to economic development. Providing it should be a responsibility shared equally among all family members, community members and the state, not only women and girls. Men and boys should step up to fulfil equal share of care responsibilities within households and communities.

## **2. Revisit macroeconomic policies to build a sustainable economic system that values care work**

To ensure sustainability of response and recovery efforts, government must take bold and decisive steps to build a new human-centred economy that values care and wellbeing above profit and wealth. This will call for taxing wealth and high incomes and cracking down on loopholes and the inadequate global tax rules that allow rich corporations and individuals to escape their tax responsibilities, exacerbating care infrastructure gaps.

In 2019, the world's billionaires, only 2,153 people, had more wealth than 4.6 billion people<sup>25</sup>. The richest 22 men in the world owned more wealth than 325 million women in Africa<sup>26</sup>. By August 2020, as the pandemic raged and millions of people were pushed into abject poverty, the top 0.0001% billionaires got \$637 billion richer<sup>27</sup>. This great wealth divide is in part built on a flawed and sexist economic system that exploits cheap and free labour provided by women and girls.

A 2019 report by Oxfam revealed that women's unpaid care work alone is adding value to the global economy to the tune of at least \$10.8 trillion a year, a figure three times larger than the tech industry. This figure, while huge, is an underestimate due to data unavailability and use of the minimum wage rather than a living wage in the calculations. The figure also does not consider the broader value of care work to society, how our economy would grind to a halt without the unpaid care provided by women and girls.

Taxing an additional 0.5% of the wealth of the richest 1% over the next 10 years will contribute an amount equal to investments needed to create 117 million jobs in education, health and elderly care and other sectors, and to close care deficits<sup>28</sup>.

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<sup>25</sup> Time to care Unpaid and underpaid care work and the global inequality crisis, OXFAM, 2020

<sup>26</sup> Ibid, 9

<sup>27</sup> <https://www.businessinsider.com/billionaires-net-worth-increases-coronavirus-pandemic-2020-7?IR=T>

<sup>28</sup> Ibid, 6

### **3. Invest in a cohesive national care and social protection system**

Investment in a robust, resilient and gender-responsive national care system should be an important pillar of Covid-19 response and recovery. Government should invest in accessible basic infrastructure and time-saving technology. Household-level access to time-saving infrastructure and technologies, including water, sanitation, electricity, fuel-efficient cookstoves, has been found to have a direct impact on women's time and the intensity of their labour. In households with electricity and an improved water source, women's average unpaid care workload is estimated to reduce by one to four hours<sup>29</sup>. Besides investing in and transforming existing public services infrastructure, government should prioritise expansion of social protection systems to provide caregivers with paid leave and pension credits, in addition to universal access to affordable quality education, healthcare, childcare, eldercare and care for people with disabilities.

Decent working conditions and equal pay for work of equal value are also needed to protect the female workforce, including paid domestic workers, many of whom are migrant women, who often lack basic labour rights and protections.

If well-designed, such interventions will reduce women's time and income poverty, promote health and well-being, and enhance community resilience and preparedness for future shocks and crises. Key stakeholders, including paid and unpaid caregivers, as well as care recipients, should participate in defining priorities and policy options to increase effectiveness.

### **4. Legislate to transform labour markets and protect rights of all carers**

Government must adopt, enact and implement necessary labour laws to ensure that labour market policies are in place to protect the rights of all care givers and paid care workers. To start with, government should ratify and domesticate the Domestic Workers Convention, 2011 (ILO Convention 189), to ensure that all care workers are afforded decent living and working conditions, including being paid a living wage. Professionalisation of the care sector and promotion of rights of domestic workers will contribute to closing deficits in care service provision and its quality.

Enactment of the Minimum Wage Bill will also contribute to closing gender pay gaps which disproportionately affect female paid care workers, including domestic workers who tend to be located at the bottom of the earnings pyramid and remain exempt from minimum wage legislation.

Family-friendly employment policies are similarly needed to make it easier for workers to combine paid work and unpaid care. These should include paid parental leave for both women and men, family leave to care for sick dependents as well as flexible work arrangements and investments in care services.

## **An opportunity we should not waste**

While Covid-19 might not be the "great leveller" that we hoped it would be, it has presented us a transformative opportunity to level the playing field by working to redress long-standing gender and socio-economic inequalities; recognising the value of the work that keeps our communities going and recovering through sustained investments in a care economy that is founded on principles of social justice and equality for all. We should not let this opportunity pass us by.

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<sup>29</sup> Ibid, 6



**In the Shadow of the  
Pandemic: The Dark Underbelly  
of Private Debt**

## Executive Summary

**The discussion on debt in Uganda is often centred on national debt. However, there is a growing need to pay attention to private debt and how it affects the lives and livelihoods of Ugandans. In this paper, we discuss the status of private debt in Uganda, abusive lending practices and how they affect consumers and how Covid-19 affected private debt in the country. We also share recommendations on feasible approaches and how vulnerable groups can be protected from predatory lending practices.**

### **The state of private debt in Uganda**

According to data from Bank of Uganda, private debt in the country grew between 2014 and 2019. According to the study, three out of 10 households and two out of 10 Ugandans are in debt. Private debt in Uganda also presents differently according to gender, age, and regions. Higher percentages of men, people falling in the age groups above 30 and households headed by individuals above 30 were shown to have acquired loans. In terms of regions, the Central region was cited as having lower percentages of indebted households and individuals. The Northern region on the other hand had the highest rate of indebtedness. Households with higher incomes are more likely to be indebted as the income of borrowers is used as measure of risk in terms of debt repayment by the lenders.

On gender, there is a 75% gap in terms of female-headed households with debts compared to male headed households. This gap is further worsened by the income and age difference between women and men. People between 18 – 30 years have lower incomes than people over the age of 30. This is significant because, despite these differences, we all borrow from the same credit facilities in the same economy. This influences women's welfare, the cost of living, investment and return on investment in the economy as



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they borrow on the same terms as men even as they have less incomes. This means women use higher percentages of their incomes to meet interest rates compared to men. This further exacerbates economic inequality by gender.

The gender disparity is also present in the places from which people borrow. The percentage of male-headed households borrowing from formal financial institutions is more than twice bigger than that of female-headed households. Women on the other hand showed a higher likelihood to borrow from informal financial institutions than men. Furthermore, the loans acquired by the special interest groups (women and youth) from the informal financial institutions are often small and inadequate to fund working capital or individual needs. Ironically, they come with high interest rates. Worse still, most households borrowed for consumption which is not sustainable as they must look for alternative income sources to finance their debts.

Private debt has far reaching effects beyond the individual household. When low-income earners are highly indebted like shown in the data above, development is affected. Majority of Ugandans are identified as low-income earners, with most low-income earners being women, persons with disabilities and youth. Women and youth also make up a significant percentage of Uganda's population. Because majority households and individuals in Uganda borrow for consumption, there is limited investment and increased indebtedness. Indebtedness in an economy like Uganda and among low-income earners, only leads to increased poverty because there is no investment and loss of assets. This debt cycle contributes to the vicious cycle of poverty.

The effects of Covid-19 on economic activity have also worsened the debt situation because people lost their incomes. Again, majority of the people whose incomes were greatly affected were women because most of them work in the informal sector. The loss of income translated into failure to meet payment obligations for loans both in the formal and informal credit facilities. This means in the places where assets were used as collateral, that property could potentially be lost. Furthermore, since the debt accrues interest, people will end up paying more.

Non-payment also has spill-over effects from households to money lenders as they cannot create loans for further borrowing. This has in turn affected households which are not indebted but would wish to borrow to cushion themselves during the pandemic, as funds are trapped in non-performing loans.

## **Credit facilities and abusive lending practices in Uganda**

Majority of Ugandans live in the rural areas and work in the informal sector. Because of this, many are unable to access the formal financial systems. Ms. Juliet Tumuzoire, Head of Financial Services, Financial Sector Deepening, highlighted how majority of Ugandans borrow from friends, family, Village Savings and Loan Associations (VLSAs) and Savings and Credit Cooperative Society (SACCO) with banks as the less preferred option.

Prior to the Covid-19 pandemic, Ugandans were already struggling economically. The 78-day lockdown had an adverse impact on their daily incomes and wages. Agriculture was not immune. Value chains such as poultry and dairy farming were affected by price volatility. This slowdown and in some places, disruption of economic activities, affected income flows for many Ugandans. Those who were in debt found it difficult to meet their credit obligations. Furthermore, the pandemic increased the need for people to borrow to survive and meet day to day expenses. As noted in the address by Nathan Sunday, a Research Associate at the Economic Policy Research Centre, majority of Ugandans borrow to meet the daily needs.

Increased private borrowing comes with great risk for the lenders but also great vulnerability and exploitation for borrowers. In a neo-liberal economic structure where profits take precedent, borrows are at the mercy of lenders. Although the government has passed several policies and laws to regulate credit facilities, there still exist a few gaps. This gap in policy and law has created space for abusive lending practices. Juliet Tumuzoire pointed out how the consumers is faced with different abusive lending practices at the different stages in the borrowing cycle. At the sale point, she highlighted some of the abusive practices to include; limited transparency, little explanation of implications to the borrower at the decision-making level, language limitations as English is primarily used in the borrowing agreements, risks are not exhaustively explained and sometimes truths are distorted by the institutions. She noted that over the period of the loan, there are high interest rates, unclear customer management, limited consumer counselling, uncertainty of the total cost of credit, violation of data, over indebtedness with no support, among other violations.

The protection of borrowers is important because borrowing is a driver of development. Credit when well targeted, administered and used, can be a driver of economic growth and development. Borrower protection is important as it builds confidence in the financial sector. Clear channelling of borrowers' challenges could lead to new product development targeting specific interest groups such as small holder farmers, micro, and small enterprises.



**Increased private borrowing comes with great risk for the lenders but also great vulnerability and exploitation for borrowers. In a neo-liberal economic structure where profits take precedent, borrows are at the mercy of lenders.**

## **Regulation of money lending institutions and what legal and policy provisions exist to protect citizens from abusive lending practices**

In his introduction, *Golooba Lwanga*, a Senior Economist with the Ministry of Finance noted that there are several laws and policies that have been put in place to regulate money lending in Uganda and protect borrowers from abusive lending practices; the Money Lenders Act, 2016, Tier 4 Microfinance Institutions and Money Lenders (Money Lenders) Regulations, 2018, Tier 4 Microfinance Institutions and Money Lenders (Non-Deposit Taking Microfinance Institutions) Regulations, 2018, and Tier 4 Microfinance Institutions and Money Lenders (SACCO) Regulations 2020.

In 2016, Uganda reformed its laws by the enactment of the Tier 4 Microfinance Institutions and Money Lenders Act, 2016. The purpose of the amendment was to legitimise and build confidence in microfinance institutions (SACCOS, self-help groups, non-deposit taking and community-based microfinance institutions) and money lenders who had for a long time remained outside the radar of any regulator. The enactment of the Act was also meant to streamline the laws relating to borrowing and lending in Uganda.

Lwanga added that the Minister of Finance also enacted the Tier 4 Microfinance Institutions and Money Lenders Regulations, 2018, which play a critical role in protecting borrowers from abuse, as they provide for the licensing and operation of money lending business in Uganda. He mentioned some of the key highlights of the regulations to include; licensing of money lenders, the requirement for lending facilities to have a physical address and maintain records for 10 years to curb the hitherto unorthodox practice of money lenders withholding important documents of a borrower in order to guarantee repayment, essentially holding the borrower hostage.

According to Lwanga, Bank of Uganda is working with the Ministry of Finance and some Civil Society Organisations such as FIDA-Uganda to advance finance literacy to build knowledge base and capacities of the public to understand their roles and obligations when transacting with financial institutions. The financial institutions are also being educated on ideal consumer behaviour and how loans acquired are used.



**In 2016, Uganda reformed its laws by the enactment of the Tier 4 Microfinance Institutions and Money Lenders Act, 2016. The purpose of the amendment was to legitimise and build confidence in microfinance institution.**

## Household debt and women

Women suffer longer-term indebtedness in comparison to men, given that 57% of them borrow from informal financial services compared to 54% men. Adults, majority of whom are women living in rural areas (57%) are also more likely to rely on informal borrowing services because of availability, convenience, and the possibility of acquiring multiple loans, compared to adults living in urban areas (51%).

Hazel Birungi, a feminist lawyer and tax justice advocate, argued that indebtedness among women at household level is intrinsically tied to their care roles. She said 61% of female borrowers who relied on informal financial services borrowed to cater for daily home necessities.

Women are also subjected to the effects of men borrowing. Birungi called this “sexually transmitted debt”, a situation where women stand surety for husbands and inherit the debts in the event of bankruptcy.

Much of the borrowing by women is a result of the state’s failure to provide social protection and critical public services such as quality, affordable, and accessible education, and health for the population. This, coupled with income inequalities, low wages, inflation, and lack of access to regulated financial services, also increase women’s risk of accessing abusive credit facilities. She also cited economic limitations caused by low wages, poverty and high living wages, inflation and bureaucracy associated with the formal financial services as some of the reasons people prefer to borrow from informal financial services.

The high private debt affects women’s social and economic rights because it increases income inequality and impedes access to credible financial services. For some women and girls, debt heightens risks of abuse such as intimate partner violence and denial of basic rights like education in favour of boys where resources are limited. Abusive lending practices and high indebtedness also prolongs women’s stay in poverty.



**There are still big gaps in other outcomes in the education sector. The National Assessment of Progress in Education, 2018, indicates gender disparity in the numeracy rate at primary six level of 56.2% for boys compared to 45.9% for girls.**



## Recommendations to address private debt and abusive lending practices

Improve provision of and access to necessary social and public services to reduce women's expenditure and the need to borrow to cover costs related to these services. Access to quality affordable health care, education, water, housing, and public infrastructures will reduce the expenses of women on these needs.

Provision of comprehensive social protection facilities to ensure people most at risk of vulnerabilities are protected. This would ensure people do not resort to borrowing to respond to the risks they have experienced. Government's economic stimulus packages should not only focus on large and medium scale businesses but also cater for small and informal business which are mostly owned by women.

There is need to create micro and macro-economic policies to address income inequality and inflation. Improved tax policies will provide just taxation policies and end poverty taxes. The decisions made at macroeconomic level have a bigger impact on people at the micro level. Economics must not be viewed in terms of numbers only, but also on the direct impact on people's lives considering risks to vulnerabilities.

Improve access to credible credit facilities to ensure people are not exposed to abusive lending practices. There is need to create gender-sensitive lending policies and practices in response to the current differences to access and control over resource, income gaps and geographical challenges, among others.

Improve regulation of credit facilities by strengthening compliance monitoring, preferably through the establishment of an independent consumer protection authority; consolidating and harmonising consumer protection policies and regulations, and provision of clear and simple information for borrowers. Institute policy reform to accommodate innovation, digital financial services, and the evolving consumer.

## Conclusion

As Uganda works towards becoming a middle-income country, there is need to address the question of private debt as an impediment to development. Understanding that public debt and private debt are related, there is need to address the two together both in policy and practice. The fight against poverty must not be debt acquisition centered but rather focused on debt erasure to ensure we end the vicious cycle of debt which disproportionately affects women, persons with disabilities and youth.

*This paper is a synthesis of reflections shared at the webinar; **In the shadow of a pandemic; the dark under belly of private debt.** The panel was composed of Nathan Sunday, Research Associate, Macro Department, Economic Policy Research Centre (EPRC); Juliet Tumuzoire, Head of Financial Services, Financial Sector Deepening; Hazel Birungi, Feminist Lawyer and Tax Justice Advocate, and Golooba Lwanga, Senior Economist, Financial Services Department, Ministry of Finance. Racheal Wanyana served as rapporteur.*



**A lens on the 2020/21 budget:  
Interrogating the priorities**

**Uganda's 2020/2021 budget was amended a couple of times before it was passed due to the outbreak of Covid-19). Under the theme, "Stimulating the economy to safeguard livelihoods, jobs, business and industrial recovery", Parliament passed a UGX 45.5 trillion budget with the budget strategy anchored on the Third National Development Plan. In focus was industrialisation for job creation, priority to increase household income and improving the quality of lives of Ugandans.**

**The discussion focused on the budget priorities, the revenue mobilisation strategy, debt repayment plan and assessment of the future based on proposed allocations and current economic and health challenges faced as a country.**

#### **The Uganda 2020/2021 Financial Year Budget**

Whereas the total budget is estimated at UGX 45.5 trillion, the actual resource envelope is UGX 34.5 trillion. The projection from the Uganda Revenue Authority (URA) indicated that UGX 21.7 trillion would be collected from domestic revenue, UGX 3.5 trillion through internal borrowing, UGX 2.9 trillion from budget support and UGX 9.6 trillion from project support. A total of UGX 7.4 trillion would cater for domestic refinancing. The most significant proportion was allocated to Works and Transport while trade and industry, one of the areas that need to be invested in for being a source of revenue, received the smallest proportion.

The four critical areas as per the 2020/21 budget strategy include; agriculture and agro-industrialisation, tourism development, improving value addition to tradable minerals and commodities, and enhancing efficiency in public investments. These are meant to create jobs for the population and increase exports.

Sophie Nampewo, the Budget Policy Specialist at Civil Society Budget Advocacy (CSBAG) noted that the government, through the ministerial policy statements put out by the respective ministries, departments, and agencies on their budgeting for FY 2020/21 prioritised some sectors due to the outbreak of the pandemic. These are:

- **Health sector:** To sufficiently facilitate health workers, increase their interest in regional hospitals, provide required medical supplies and equipment, including Personal Protective Equipment (PPE).
- **Water and environment sector:** To increase access to and availability of clean and safe water and increase water for production.
- **Education sector:** To facilitate teachers, provide schools with required scholastic materials, promote skills development, and facilitate continuous learning even when at home.
- **Agriculture:** To increase production and productivity, promote value addition and increase market access for agricultural produce.

- **Social development:** To facilitate community development offices at the local government level to increase sensitisation and awareness against vices like gender-based violence, early marriages, and pregnancies in communities.

The pandemic has led to different development partners assisting Uganda through grants and loans to help it cope. The grants were given by the Irish embassy, European Union, US Mission, UN agencies in Uganda, USAID, IGAD, and a loan from the International Monetary Fund. Due to the decrease in domestic resource mobilisation and an increase in demands, government is also expected to acquire more loans and grants.

## A gender responsive budget?

Rebecca Atwine, the program Manager for Gender and Economic Justice, Forum for Women in Democracy (FOWODE) while making an analysis on how the 2020/2021 budget accommodates marginalised groups, noted that the budget responded to the needs of marginalised groups in the country. She stressed that the budget, as it stood, did not address the challenges brought by the pandemic. Challenges including the rise in gender-based violence cases, teenage pregnancies and loss of employment and income by Small to Medium Enterprises.

A deeper scrutiny on the budget focus areas show that in terms of infrastructure, emphasis was on key areas, neglecting hard-to-reach places, thus making access to social services difficult. While the security budget increased, it did not provide for the prevention and protection of vulnerable groups from GBV, especially at local government level, hence the unchecked prevalence. The extra funds set aside to cater for additional costs related to education cater to a few people.

## Commendable tax proposals to generate revenue for FY 2020/21

These are proposals that the government has made for the next financial year to collect taxes:

**Income tax:** Government has proposed that declaration of losses is limited to five years, after which, one is required to pay 0.5 of gross income to curb the vice of not paying taxes due to losses incurred in the business.

**Stamp duty:** A fee of UGX 100,000 was imposed on professional documents (license/certificate). CSBAG posits that subjecting the charge to a definite figure presents a challenge because of the valuation and devaluation of the shilling. The effective way would be the use of currency points.

**Exemptions:** To be exempted from payment, investors should have the capacity to at least source 50% of the locally produced raw materials, subject to availability and ability to employ a minimum of 100 citizens. The percentage can, however, go as high as 80% if the raw materials are available.

## How do we create a people-centered budget?

While the budget was passed without Covid-19 in mind, it has been analysed to facilitate a shift, cut expenditure, and reallocate resources to contain the pandemic and ensure development in the country, according to Margaret Kakande, the Head Budget Monitoring and Accountability Unit, in the Ministry of Finance.

Kakande noted that the government, in a bid to ensure efficient and effective use of resources is mobilising and upscaling monitoring efforts, especially by the anti-corruption agencies. The Ministry of Finance has also set up an Economic Response Unit (ERU) that comprises of the private sector to coordinate government responses to Covid-19 and to mitigate the social-economic impacts of the pandemic in the country.

Considering Covid-19, the discussion proposed several recommendations to ensure the government delivers a gender-responsive budget for the financial year. Some of the recommendations included the following:

- Government should ensure effective use of the limited resources, improvement of coordination, and anti-corruption efforts. In a time when the economy was slowing down due to the lockdown, there is need to ensure all resources available during this time are allocated and used appropriately. This will ensure that women, who are most affected, as well as other disadvantaged groups, are able to access the much-needed social services to support their lives. To support appropriate use of resources, it was recommended that government shares clear information on resources received and allocated for different services. This would enable the public to hold the government accountable for the resources available.
- The need for active participation of all stakeholders in policy implementation and civil society. To create a budget responsive to the unique and changing needs of people in these unprecedented times, the government must engage different groups across the country to understand the effects of the current lockdown measures and how best to support them.
- Exploring alternative sources of revenue by government i.e., taxing high net worth individuals, limiting exemptions given to multinational companies, and intensifying the bid for external debt deferment. This can create equity in taxation for now as well as the future. Equitable taxation also ensures the effect of poverty-related tax inequalities are addressed and ensure low-income earners, majority of whom are women, get a breather. Equitable taxation will also give small and medium income individuals and businesses time to recover from the effects of the lockdown.
- Gender budgeting to address issues of resource allocation to cater for the unique needs of marginalised groups. Ensuring provision of health care, water and sanitation, education and other social services which serve the needs of women and marginalised groups. With the increased care work for women, increased gender-based violence, need for water and sanitation facilities, the government must ensure the implementing agencies or ministries receive adequate resources both at national and local government levels.
- An economic stimulus that is inclusive and accessible is critical to ensure that the country recovers from the economic recession brought by the pandemic. Because the economic slowdown associated with Covid-19 affected people differently, an inclusive package should also be tailored to the needs of the different groups. Global focus has been on big businesses and this should not be the case. Majority of women are located within the small scale and informal economic sector.



**A deeper scrutiny on the budget focus areas show that in terms of infrastructure, emphasis was on key areas, neglecting hard-to-reach places, thus making access to social services difficult. While the security budget increased, it did not provide for the prevention and protection of vulnerable groups from GBV, especially at local government level, hence the unchecked prevalence.**

## Conclusion

The budget as a tool for development should reflect the priorities of the nation. The priority of any country should be to ensure the people who live at the highest risk of vulnerability are protected. In Uganda, women, children, persons with disabilities, the urban poor and elderly are at the top of the vulnerability risk, therefore the budget must fund solutions to the risks and vulnerabilities these groups are exposed to. Because it was developed prior to Covid-19, the current budget does not speak clearly to addressing the old and new risks and vulnerabilities these groups are exposed to.

*This paper is a synthesis of reflections shared at the webinar; **A lens on the 2020/21 budget: Interrogation the priorities.** The panel was composed of Margaret Kakande, Head of the Budget Monitoring and Accountability Unit; Sophie Nampewo Njuba, Budget Analyst Civil Society Budget Advocacy Group; Rebecca Atwine, Programme Manager for Gender and Economic Justice, Forum for Women in Democracy (FOWODE). Hazel Birungi served as rapporteur.*

## About the Editors



### **Maria Alesi**

Maria Alesi is a development practitioner with experience in human rights, youth participation in politics, transformational feminist leadership and governance. She is also interested in economics and political organising. Maria hopes that her work continues to contribute to creating a just and equal society.



### **Leah Eryenyu**

Leah Eryenyu is the Research, Advocacy and Movement Building Manager at Akina Mama wa Afrika. She has a keen interest in the intersection of economic exploitation and gender oppression. Her work looks at economic governance focusing on tax justice, corporate accountability, and decent work for women, particularly those in global value chains in the horticultural sector.

### **About Friedrich-Ebert-Stiftung Uganda**

The Friedrich-Ebert-Stiftung (FES) is the oldest political foundation in Germany with a rich tradition in social democracy dating back to its foundation in 1925. The foundation owes its formation and its mission to the political legacy of its namesake Friedrich Ebert, the first democratically elected German President. The work of this political foundation focuses on the core ideas and values of social democracy – freedom, justice and solidarity. The Friedrich-Ebert-Stiftung (FES) first implemented projects in Uganda at the end of the 1960s until the beginning of the 1970s. In 1987 it established an office in Kampala and has been continuously working in Uganda since then. Throughout its presence in Uganda, FES has collaborated with a wide array of partners from universities, civil society organisations, trade unions, government departments, local communities, and political parties.

### **About Akina Mama wa Afrika**

Akina Mama wa Afrika (AMwA) is a feminist Pan-African leadership development organisation with headquarters in Kampala, Uganda. Our work is rooted in feminist principles and beliefs guided by the Charter of Feminist Principles for African Feminists which define the leadership development program and movement building activities. The organisation envisions a world in which African women are politically, economically and socially autonomous and are champions of change in their lives and society. Thematic areas of focus include; political participation and decision making, sexual and reproductive health and rights, and women's economic justice. AMwA provides strategic direction in key Pan-African networks including NGO CSW Africa, Solidarity for African Women's Rights and the Gender Is My Agenda Campaign. AMwA also has consultative status with the United Nations Economic and Social Council.



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